

## **EXHIBIT D**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

---

In re: )  
NORTHWEST TERRITORIAL MINT, )  
LLC, )  
Debtor. ) No. 16-11767-CMA

---

DEPOSITION UPON ORAL EXAMINATION  
OF  
PAUL WAGNER

---

9:30 A.M.

JULY 29, 2016

1000 SECOND AVENUE, SUITE 3500  
SEATTLE, WASHINGTON

REPORTED BY: CHERYL O. SPRY, CCR No. 2226

♀

1  
2

A P P E A R A N C E S

3  
4 FOR THE CHAPTER 11 TRUSTEE:  
5 DAVID C. NEU  
6 K&L Gates  
7 925 Fourth Avenue, Suite 2900  
8 Seattle, Washington 98104-1158  
9 206. 623. 7580  
10 davi d. neu@kl gates. com  
11  
12

13 FOR ROSS HANSEN:  
14 C. JAMES FRUSH  
15 Cable Langenbach Kinerk & Bauer  
16 1000 Second Avenue, Suite 3500  
17 Seattle, Washington 98104-1063  
18 206. 292. 8800  
19 j frush@cabl el ang. com  
20  
21

22 ALSO PRESENT:  
23 ROSS HANSEN  
24  
25

♀  
†

3

1 I N D E X

2

3	EXAMINATION BY:	PAGE
4	MR. FRUSH	4
5		

6	Wagner.txt EXHIBITS FOR IDENTIFICATION	PAGE
7	Exhibit 1 6/10/2016 Declaration of Paul Wagner in	5
8	Support of Trustee's Motion for Order	
9	Holding Ross Hansen in Contempt for	
10	Violation of the Automatic Stay	
11	Exhibit 2 4/16/2016 "Suppression Memo" to All	17
12	Current NWTM/MAC Employees from Mark	
13	Calvert	
14	Exhibit 3 Pages 63-65 of Mr. Wagner's 6/8/2016	34
15	deposition	
16	Exhibit 4 Pages 66-69 of Mr. Wagner's 6/8/2016	39
17	deposition	
18		
19		
20		
21		
22		
23		
24		
25		

♀

4

1 SEATTLE, WASHINGTON; JULY 29, 2016

2 9:30 A.M.

3 --oOo--

4 PAUL WAGNER,

5 sworn as a witness by the Certified Court Reporter,

6 testified as follows:

7 EXAMINATION

8 BY MR. FRUSH:

9 Q. Would you state your full name and spell your

Page 3

10       last name for the record?  
11             A.     Paul Wagner, W-A-G-N-E-R.  
12             Q.     And would you give us a mailing address,  
13       Mr. Wagner?  
14             A.     It's 16414 Saybrook Drive in Woodinville,  
15       Washington 98077.  
16             Q.     Have you been deposed before, Mr. Wagner?  
17             A.     I have.  
18             Q.     About how many times?  
19             A.     Once.  
20             Q.     That was in connection with another matter  
21       relating to the bankruptcy?  
22             A.     That's correct.  
23             Q.     Okay. I suspected that they went through kind  
24       of some of the ground rules or such with you. They're  
25       not terribly complex.

♀

5

1             I do want you to be comfortable. If you want  
2       to take a break at any time, this isn't an endurance  
3       contest, and I don't think you're going to be here long  
4       in any event. If you want to talk to your lawyer at any  
5       time, that's fine. Kind of the only rule that I have  
6       any particular interest in is if I have a question  
7       that's posed, we don't want you to be conferring with  
8       your lawyer before you respond.  
9             Is that fair enough?  
10            A.     Okay.  
11            MR. FRUSH: Let's mark this.  
12            (Deposition Exhibit 1 was marked for

Wagner.txt

13                    i d e n t i f i c a t i o n . )

14                Q.    (BY MR. FRUSH:) Do you recognize what's been

15                marked as Exhibit 1?

16                A.    I do.

17                Q.    And would you tell us what that is?

18                A.    This is a declaration.

19                Q.    Is it your declaration?

20                A.    Yes, it is mine.

21                Q.    All right. When is the last time you reviewed

22                this declaration?

23                A.    I looked at it yesterday.

24                Q.    Was it true and correct in all respects when

25                you signed it on June 10th?

♀

6

1                A.    Yes.

2                Q.    Was it true and correct in all respects when

3                you reviewed it yesterday?

4                A.    Yes.

5                Q.    Are there any changes you'd like to make to

6                it?

7                A.    No.

8                Q.    Let's talk about your conversation on Friday,

9                June 3rd, at the federal courthouse in Seattle with

10                Mr. Hansen. Where was -- I take it that, as you state

11                here, that Ross was outside the courtroom. I've been

12                there a few times. Was he out in the big open area --

13                A.    Yeah.

14                Q.    -- with the big windows, or was he sort of in

15                the vestibule that's contained --

16                A.    No, out in the big open.

Page 5

17 Q. The elevators are in the center of those  
18 floors.  
19 A. Yes.  
20 Q. And I take it -- did you see him when you came  
21 off the elevator?  
22 A. He saw me when he came off the elevator.  
23 Q. When he came off the elevator. So you were  
24 standing there?  
25 A. Yes.

♀

7

1 Q. Where were you standing or sitting?  
2 A. Right outside as you turn left out of the  
3 elevators going to the court, in front of the courtroom,  
4 in that corner.  
5 Q. Would he naturally pass by you as he moved  
6 into the courtroom or went into the courtroom?  
7 A. He would. Yeah, he would have to pass by me  
8 within 25 or 30 feet.  
9 Q. And did you acknowledge each other?  
10 A. Yeah.  
11 Q. How so?  
12 A. Ross walked over and engaged in a  
13 conversation.  
14 Q. And did you indicate in any fashion that you  
15 didn't want to talk to Mr. Hansen?  
16 A. No.  
17 Q. Tell me what the conversation was about.  
18 A. Well, he first asked -- or made a statement,  
19 "I hope you're not angry with me."

Wagner.txt

20 I said, "No, I'm not particularly angry with  
21 you."  
22 Q. Why do you think he said that?  
23 A. He probably has a sense that most people are,  
24 given what's transpired, most people are angry with him.  
25 Q. I'm sorry. I was distracted.

♀  
†

8

1 A. Given what has happened to the company, it's  
2 natural to assume that people would be upset with him.  
3 Q. Because of the bankruptcy?  
4 A. Yeah.  
5 Q. What did you say?  
6 A. I said, "I'm not particularly upset."  
7 Q. Was this a cordial conversation?  
8 A. Yes, it was.  
9 Q. And did you at any time attempt to leave or  
10 ask Mr. Hansen to stop talking to you?  
11 A. No.  
12 Q. Did you ever turn away and walk away from him?  
13 A. No.  
14 Q. Did you ever turn from him and walk into the  
15 courtroom?  
16 A. No.  
17 Q. I take it at some point you went in the  
18 courtroom and sat with people that were associated with  
19 the trustee. Is that fair to say?  
20 A. No, I didn't sit with anybody in particular.  
21 Q. Were you a witness at that proceeding?  
22 A. Yes.  
23 Q. Okay. So you were segregated as a witness

Page 7



24 outside?

25 A. Uh-huh.

♀

9

1 MR. NEU: Make sure you answer with words.

2 A. Yes.

3 MR. NEU: She's good, but maybe not that good.

4 Q. (BY MR. FRUSH:) She's very good. And we  
5 should try not to talk over each other, because that  
6 drives her crazy.

7 A. Okay.

8 Q. Was Mr. Hansen also a witness at that  
9 proceeding?

10 A. Yes.

11 Q. So it made sense that the two of you would  
12 have been outside the courtroom --

13 A. Uh-huh.

14 Q. -- is that right?

15 A. That's correct.

16 Q. So why don't you tell me the balance of the  
17 conversation.

18 A. Ross tried to convince me --

19 Q. No, no, I don't want what Ross intended to do,  
20 I want to know what you said and what Mr. Hansen said.

21 A. Mr. Hansen produced a document that was his  
22 turnaround plan.

23 Q. Did you take this from him?

24 A. He gave it to me.

25 Q. And you took it?

1           A.    Yes.

2           Q.    All right.  What was said?  I'm interested in

3           what exactly was said, not what people intended to do or

4           you thought they intended to do.

5           A.    That he had a turnaround plan that would --

6           his intent was to -- he communicated his intent to take

7           back the company.  He wanted to communicate a turnaround

8           plan.  He communicated to me that he knew that there

9           were a lot of employees that were about to leave the

10          company.  And that was the gist of the conversation.

11          Q.    What was said on your side?

12          A.    I told him I did not believe that a lot of

13          people were about to jump ship.  That was about it.

14          Q.    Did you bring up the subject of the closing of

15          the Tomball plant in Texas?

16          A.    Did I bring it up?  No.

17          Q.    Did he bring it up?

18          A.    I think so.

19          Q.    Did you indicate that there was a morale

20          problem because people had been fired and people in the

21          Washington state offices were expecting the same to

22          happen to them?

23          A.    No.

24          Q.    What exactly did you say?

25          A.    My response to him, his belief that that was a

1          mistake, I told him "No, it was not a mistake."

2          Q.    A mistake?  What was a mistake?

                  Page 9

3 A. A mistake in selling the company.  
4 Q. Selling that installation?  
5 A. Yeah.  
6 Q. Okay. Go ahead.  
7 A. And I told him, "No, it wasn't a mistake."  
8 Q. Did you tell him why you felt that way?  
9 A. Because the company lost money. They bled us  
10 dry.  
11 Q. Any other conversation on your part?  
12 A. No.  
13 Q. How long did this conversation take?  
14 A. I don't know. Less than five minutes.  
15 Q. Did he make any threats to you?  
16 A. No.  
17 Q. Were you intimidated by Mr. Hansen, at that  
18 time?  
19 A. No.  
20 Q. Did he solicit your employment?  
21 A. No.  
22 Q. Was it implicit in his discussion with you  
23 that if he did take over the company that you would  
24 still be associated with it?  
25 A. No.

♀  
†

12

1 Q. Was it implicit that you would not be  
2 associated with it?  
3 A. No.  
4 Q. So you didn't really discuss that aspect?  
5 A. No, we didn't.

6 Q. So there was no discussion that if you took  
7 over the company that you would be out of a job?  
8 A. No.  
9 Q. All right.  
10 A. We had no conversation in or around that topic  
11 at all.  
12 Q. Is it fair to say that he was talking to you  
13 about taking it over again and that it was in the  
14 context of moving forward that he was pursuing the  
15 conversation with you? Is that fair to say?  
16 A. No, it's not.  
17 Q. Then why do you think he would bring this up?  
18 A. For the sole purpose of trying to convince  
19 people that he would take control of this company again.  
20 Q. So that's what you felt his purpose was in  
21 speaking to you?  
22 A. Absolutely.  
23 Q. Have I left anything out in my discussion with  
24 you about your interaction with Mr. Hansen that morning?  
25 A. No, other than he wanted me to join him in the

♀

13

1 restroom during break and have a conversation. I  
2 wouldn't do it.  
3 Q. How did that -- what was said and done in that  
4 regard?  
5 A. At the break he came by and said, "I've got to  
6 go to the bathroom, Paul. Don't you need to go to the  
7 bathroom, too?"  
8 Q. And you said, "No"?  
9 A. No, no.

10 Q. Did he ask you that he hoped you were on the  
11 same side?  
12 A. He hoped that I was on the same side? No,  
13 that's not what he said.  
14 Q. Look at your declaration, Exhibit 1, paragraph  
15 two. There you say, quote, "He told me that he hopes I  
16 know that 'we are on the same side...'"  
17 A. He said, "We're on the same side."  
18 Q. Oh, I thought you just said that he didn't say  
19 that.  
20 A. I don't think he said "hope." Maybe I  
21 interpreted "hope," but his declaration was, "I know you  
22 and I are on the same side."  
23 Q. Well, did he say that or didn't he say that,  
24 words to the effect that --  
25 A. Yeah, to the effect, yeah.

♀

14

1 Q. All right. How did you come to draft this  
2 declaration?  
3 A. I drafted it with the help of an attorney at  
4 K&L Gates.  
5 Q. And what was the name of the attorney?  
6 A. I don't remember his name.  
7 Q. It wasn't Mr. Neu?  
8 A. No.  
9 Q. Did you do a draft that you gave the  
10 attorneys, or did the attorneys do a draft and give it  
11 to you? And I don't want to talk about what you said  
12 with the attorneys, I'm just looking at the process.

13 A. The attorneys provided a draft to me, yeah.  
14 Q. Who did you tell about this conversation?  
15 A. Mark specifically, yeah, and Mike Gearin.  
16 Q. And when did you tell them?  
17 A. Right after the hearing on June 10th.  
18 Q. And what did Mark tell you?  
19 A. Or June 3rd, rather.  
20 Q. I'm sorry?  
21 A. Whenever that court date was. Was it  
22 June 3rd?  
23 Q. June 3rd.  
24 A. Yeah.  
25 Q. And what did Mark tell you in regards to this

♀

15

1 conversati on?  
2 A. "Get it documented."  
3 Q. And did he tell you how to go about that?  
4 A. No.  
5 Q. What did you do in response to that direction?  
6 A. The next time I was at K&L Gates, we went  
7 through it. I dictated to the attorney what the gist of  
8 that conversation was.  
9 Q. How long after that conversation occurred did  
10 that process occur?  
11 A. I don't recall. A few days later.  
12 Q. Did you ask Mr. Hansen to call you over the  
13 weekend?  
14 A. No, I did not ask him.  
15 Q. Did he indicate he would call you over the  
16 weekend?

17 A. Yes.  
18 Q. Did he call you?  
19 A. Yes.  
20 Q. And did you touch base with him over the  
21 weekend?  
22 A. No, I did not.  
23 Q. Did you call him back?  
24 A. No, I did not.  
25 Q. Were you aware of a document called a

♀

16

1 "Suppressi on Memo"?  
2 A. A Suppressi on Memo? No.  
3 Q. I think it was entitled, "Suppressi on Memo."  
4 A. Huh-uh.  
5 MR. NEU: Sorry. We just need a verbal  
6 answer.  
7 A. No.  
8 Q. (BY MR. FRUSH:) Do you recall a memorandum  
9 that Mr. Calvert sent out that forbid employees to talk  
10 to Mr. Hansen on pain of termination?  
11 A. No.  
12 MR. FRUSH: Let me grab an exhibit that we  
13 used yesterday. I'll be right back, Mr. Wagner. Pardon  
14 me for the delay.  
15 (Discussion off the record.)  
16 Q. (BY MR. FRUSH:) You say in paragraph four of  
17 your declaration that you're aware that Mr. Hansen has  
18 attempted to contact numerous other employees.  
19 Who are the numerous other employees that

20 Mr. Hansen has attempted to contact?  
21 A. Tom Boyle, Dennis Timm.  
22 Q. I'm sorry, Dennis?  
23 A. Dennis Timm.  
24 Q. Let's do some spellings for the court  
25 reporter.

♀  
†

17

1 A. T-I-M-M. Don Ruth, Steve Barnard, Dave  
2 Huffman, Destiny Krum. That's all I have.  
3 Q. Do you whether Mr. Hansen contacted them or  
4 they contacted him?  
5 A. He contacted them.  
6 Q. How do you know that?  
7 A. Because they told me.  
8 Q. That's what they told you?  
9 A. Uh-huh.  
10 Q. You just have to say "Yes" or "No."  
11 A. Yes, yes.  
12 Q. All right. You weren't present when any of  
13 these contacts occurred; is that right?  
14 A. That's correct.  
15 Q. I'll show you what's been -- what we're going  
16 to mark as Exhibit 2 in your dep.  
17 THE COURT REPORTER: Jim, can we go off the  
18 record for a second?  
19 MR. FRUSH: Yes.  
20 (Discussion off the record.)  
21 (Deposition Exhibit 2 was marked for  
22 identification.)  
23 Q. (BY MR. FRUSH:) I'll show you what's been



24 marked as Exhibit 2 in your deposition. You'll see on  
25 the top of it there is a marking that says "Exhibit 4."

♀

18

1 This was also introduced as Exhibit No. 4 in  
2 Mr. Calvert's deposition yesterday. And that's the  
3 explanation for that. So I didn't want you to get  
4 confused by that.

5 Would you take a look at Exhibit 2? And I'm  
6 going to refer to it by the exhibit number in your  
7 deposition.

8 A. Okay.

9 Q. Have you seen this before?

10 A. I don't recall it.

11 Q. Were you aware that this had been issued by  
12 Mr. Calvert?

13 A. I don't recall it being issued by Mr. Calvert,  
14 no.

15 Q. Do you recall receiving a copy of this memo?

16 A. No, I don't.

17 Q. On April 16th, 2016, were you the president of  
18 Northwest Territorial Mint?

19 A. No.

20 Q. What was your job title on that day?

21 A. Chief information officer.

22 Q. So you were the chief information officer on  
23 April 16th when this memo was dated and I assume  
24 distributed, but you have no knowledge of this memo; is  
25 that right?

1 A. I don't recall it.

2 Q. Did you have any discussions with any of the  
3 employees, including the six employees you listed, about  
4 the prohibition of having contact with Mr. Hansen?

5 A. I did not.

6 Q. Did you ever have any discussion with any  
7 employees about any prohibition to have a conversation  
8 with Mr. Hansen?

9 A. I had not.

10 Q. All the items in paragraph four are things  
11 that other people have told you; is that correct?

12 A. That's correct.

13 Q. So you have no personal knowledge of any of  
14 the items in paragraph four, do you?

15 A. Are you asking me was I there in Green Bay  
16 when Ross called Dennis Timm and did I see his number  
17 pop up on his phone? Is that --

18 Q. Well, if you have personal knowledge of any of  
19 these alleged contacts, then say you either do or you  
20 don't. Do you know what I mean by "personal knowledge"?

21 A. If I were there personally witnessing the  
22 phone call from Mr. Hansen, that's what you're referring  
23 to?

24 Q. Correct, as opposed to hearsay, somebody tells  
25 you --

1 A. No, I'm not --

2 Q. It's just a terrible record if you try to  
Page 17

3 answer my question before I finish it.  
4 All of the information in paragraph four is  
5 hearsay, isn't it, things that people told you; is that  
6 right?  
7 A. That is correct.  
8 Q. And you have no personal knowledge of anything  
9 that's contained in paragraph four, do you?  
10 A. Again, my question is are you asking was I  
11 there when the recipient received the call from Ross?  
12 Q. Correct.  
13 A. The answer is no.  
14 Q. Do you have a program where you monitor phone  
15 calls at the -- I'm going to call it the "Mint," or  
16 Northwest Territorial Mint. Do you have a program you  
17 use to monitor phone calls at the Mint?  
18 A. We have a -- we have logs of calls coming into  
19 the Mint.  
20 Q. All right. Are those calls recorded?  
21 A. Calls are not recorded, no.  
22 Q. Do you have a program where you monitor emails  
23 that come in and out of the Mint?  
24 A. We have logging systems that log it in and  
25 out.

♀  
†

21

1 Q. How does it log it?  
2 A. It logs any inbound email and any outbound  
3 email. We have no monitoring systems either in voice or  
4 email.  
5 Q. When you say it logs it, what does it show,

6 the recipients and the sender, or what's expressed in  
7 the log, Mr. Wagner?

8 A. Content and the recipient and the sender,  
9 yeah.

10 Q. So it's basically a record of the email?

11 A. Yes.

12 Q. And there is nothing left out?

13 A. Essentially, yes.

14 Q. Was it the situation or the circumstance that  
15 there was a directive put out by Mr. Calvert or anyone  
16 that all communications, email communications between  
17 any employees and Mr. Hansen would be either noted or  
18 brought to the attention of someone at the company? And  
19 that's not a very artful question, but what I'm trying  
20 to get at is was there something in place that was  
21 trying to monitor communications with Mr. Hansen?

22 A. Yeah, I think Mr. Calvert did communicate  
23 anybody that hears anything from Diane or Ross, let them  
24 know, and if there is anybody operating as an informant  
25 on behalf of Ross or Diane, they would be fired.

♀

22

1 Q. Was there a directive by Mr. Calvert or anyone  
2 on his behalf that all communications between Mint  
3 employees and Ross or Diane would be brought to  
4 Mr. Calvert's attention?

5 A. I think early on, he tried to put his  
6 ex-administrative assistant in place as the sole person  
7 to communicate with Ross, should Ross need to  
8 communicate with someone inside the Mint.

9 Q. And that was Maura?

10 A. Yeah.  
11 Q. Maura Richardson?  
12 A. Yeah.  
13 Q. And was it the situation that Maura would  
14 share any emails that she received or sent to Ross with  
15 Mr. Calvert?  
16 A. I have no direct information on that. I  
17 wouldn't know.  
18 Q. What's your belief?  
19 A. I think she probably would.  
20 Q. It would make sense in the context --  
21 A. Yeah.  
22 Q. -- of the directives that were going out?  
23 A. Yeah.  
24 Q. Yes?  
25 A. Yes.

♀

23

1 Q. All right. Were you aware that some people at  
2 the Mint were using Ross's cell phone to track his  
3 movements?  
4 A. The company-owned cell phone?  
5 Q. Yes.  
6 A. Yes.  
7 Q. Did you participate in any fashion?  
8 A. No.  
9 Q. Were you aware of it while it was going on  
10 contemporaneously?  
11 A. Yes.  
12 Q. Did you raise any concerns about that?

13 A. No.

14 MR. NEU: What's the relevance of this with  
15 respect to the issues at hand?

16 MR. FRUSH: Well, I think that much of the  
17 trustee's motion revolves around communications between  
18 Ross and the employees. Mr. Calvert testified yesterday  
19 that he was unaware of an email I showed him that was  
20 between Ross and Maura within about the first week of  
21 leaving. So Mr. Wagner's contradicted the testimony  
22 of --

23 MR. NEU: Right, but what I'm talking about  
24 specifically is whether Mr. Hansen's cell phone was  
25 being tracked, what's the -- I mean, his location.

♀

24

1 MR. FRUSH: It goes to the communications and  
2 the monitoring of communications and activities of  
3 Mr. Hansen.

4 MR. NEU: Go ahead.

5 MR. FRUSH: I'm not going to dwell on it.  
6 I'll move on, David.

7 MR. NEU: Thank you.

8 Q. (BY MR. FRUSH:) Were you knowledgeable of a  
9 trespass into a hangar of Mr. Hansen during a period of  
10 time by Mint personnel?

11 A. Yes.

12 Q. Were you aware of it contemporaneously with it  
13 occurring?

14 A. No.

15 Q. You found out about it after the fact?

16 A. That's correct.

17 Q. Did you raise any concerns about that  
18 trespass?

19 A. No.

20 Q. Were you given any photographs that were taken  
21 during that trespass?

22 A. No.

23 MR. NEU: You used the word "trespass." I  
24 think that's a legal conclusion as to -- it's a -- a  
25 trespass is a criminal activity.

♀

25

1 MR. FRUSH: That's correct.

2 MR. NEU: And so I don't think there is any  
3 foundation for calling it --

4 MR. FRUSH: You can say that you object on the  
5 basis it calls for a legal conclusion.

6 MR. NEU: I certainly object that it calls for  
7 a legal conclusion.

8 MR. FRUSH: That's fine, that's fine.

9 Q. (BY MR. FRUSH:) Let's go to paragraph five.  
10 You talk about Mr. Hansen's appearance at the debtor's  
11 facility.

12 Are you talking about an appearance that he  
13 made after they left the business and then came back to  
14 pick up some documents? Is that the one we're talking  
15 about? I think that it was on or about May 18th.

16 A. Yes.

17 Q. Were you there when he was --

18 A. No, I was not.

19 Q. So you have no personal knowledge of what

20 occurred at that appearance?  
 21 A. No.  
 22 Q. You mentioned employee morale. What has  
 23 employee morale been like since Mr. Calvert took over?  
 24 A. In what context?  
 25 Q. General.

♀  
 †

26

1 A. General? Generally, vastly improved.  
 2 Q. Improved?  
 3 A. Yes.  
 4 Q. And how many employees has Mr. Calvert  
 5 terminated since he took over?  
 6 A. Roughly 90.  
 7 Q. Out of?  
 8 A. Out of 250.  
 9 Q. So he's gotten rid of about a third of the  
 10 employees and morale has improved? Is that your  
 11 testimony?  
 12 A. That is correct.  
 13 Q. Has he closed facilities of the company?  
 14 A. Yes.  
 15 Q. And that's helped improve morale as well,  
 16 Mr. Wagner?  
 17 A. Absolutely.  
 18 Q. What are some of the other steps he's taken  
 19 that have improved morale?  
 20 A. We've introduced some leadership training.  
 21 We've put in place managers that foster working  
 22 together, teamwork. We overcommunicate the financial  
 23 health of the company today being vastly and materially



24 better than it was prior to bankruptcy.

25 Q. And what's the morale of the employees, the 90

♀

27

1 employees who were let go?

2 A. I don't know.

3 Q. Do you keep in touch with any of them?

4 A. I do not.

5 Q. Why do you think Mr. Hansen would appear

6 unannounced at Mint facilities?

7 A. Just to create chaos.

8 Q. No, no. Why do you think he would appear?

9 Not the result, but why do you think he would make an  
10 appearance?

11 A. To create chaos.

12 Q. How does his appearance create chaos?

13 A. Nobody wants to see him there.

14 Q. And their reaction is chaotic?

15 A. His reaction is chaotic. Their reaction is  
16 fearful.

17 Q. Did he make any chaotic activities, present  
18 any chaotic presence when he was there on May 18th?

19 A. I wasn't there.

20 Q. Has he been to any of the facilities since  
21 May 18th?

22 A. Not to my knowledge.

23 Q. Are you aware that he's been banned from  
24 appearing at any of the facilities?

25 A. My understanding is there is a stay that

1 should prohibit him from visiting facilities.

2 Q. And are you aware that he was appearing at the  
3 Mint on May 18th in response to a direction from his  
4 attorney to pick up Medallion documents?

5 A. I believe the memo from his attorney was if  
6 you can get documents, try and do so, something to that  
7 effect.

8 Q. Were you aware whether there were Medallion  
9 documents at the Mint when Mr. Hansen left it?

10 A. I would make an assumption that there are  
11 Medallion documents.

12 Q. Do you believe he has a right to access to  
13 those documents?

14 A. Possibly.

15 Q. Do you think it's unusual for someone to  
16 attempt to obtain access to documents to which they have  
17 a right?

18 A. Doing it the right way, yes.

19 Q. I'm going to call your attention to Monday  
20 morning, April 11th. That's the first day Mr. Calvert  
21 was there.

22 A. Right.

23 Q. Was it the case that Mr. Calvert was there  
24 before Ross had arrived? Is that right?

25 A. That's correct.

1 Q. And you had had a phone conversation the day  
2 before with Mr. Calvert, hadn't you?

3           A.    That's correct.  
4           Q.    And that morning when Ross arrived, did you  
5 have a meeting with him and Mr. Calvert at the Mint?  
6           A.    I did.  
7           Q.    And what happened when Ross sat down for that  
8 meeting?  
9           A.    I think we got into the business of the Mint.  
10          Q.    Was there discussion of an FBI investigation?  
11          A.    There was.  
12          Q.    Wasn't that the first day it was discussed?  
13          A.    Possibly.  
14          Q.    And isn't it the case that when Ross sat down,  
15 Mark Calvert told him that he had -- that Ross had been  
16 under FBI investigation for six months?  
17          A.    He did.  
18          Q.    Were you aware of that fact, prior to  
19 Mr. Calvert stating it?  
20          A.    For six months? No.  
21          Q.    How long did you think the investigation had  
22 been going -- well, strike that.  
23                  Were you aware whether there was an FBI  
24 investigation?  
25          A.    I was under the assumption that there was,

♀  
†

30

1       yes.  
2       Q.    Why is that?  
3       A.    Because I was told there was.  
4       Q.    By whom?  
5       A.    Greg Fullington.

6 Q. When did Mr. Fullington tell you that?  
7 A. I don't know. Somewhere around December when  
8 the FBI was questioning him.  
9 Q. So the FBI questioned Mr. Fullington in  
10 December?  
11 A. I believe so.  
12 Q. Did the FBI question you, prior to Mr. Calvert  
13 arriving at the Mint?  
14 A. No.  
15 Q. Have they questioned you since?  
16 A. Yes.  
17 Q. How many times?  
18 A. Once.  
19 Q. Were they in the presence of an Assistant U.S.  
20 Attorney?  
21 A. No.  
22 Q. How long was your interview with the FBI?  
23 A. An hour, hour and a half maybe.  
24 Q. How long ago was that?  
25 A. I think it was sometime in May.

♀

31

1 Q. What was the general focus of the questioning  
2 by the Bureau?  
3 A. Just general questions; how did the company  
4 get in this state.  
5 Q. I'm sorry?  
6 A. How did the company end up in this state, how  
7 did it get here.  
8 Q. How long had you been with the company?  
9 A. A little more than three years.

10 Q. Did they tell you whether you had any  
11 exposure?  
12 A. No.  
13 Q. Were you represented by counsel?  
14 A. No.  
15 Q. What was your general response to how the  
16 company got there?  
17 A. My comment was I believe the company got here  
18 long before I ever arrived, and the company was probably  
19 in this state for a lot of years.  
20 Q. Had you made -- had you expressed those  
21 concerns to Mr. Hansen when he was in charge of the  
22 company?  
23 A. No.  
24 Q. No?  
25 A. No.

♀

32

1 Q. Why not?  
2 A. It wasn't my job to.  
3 Q. What was your job at that point?  
4 A. Chief information officer.  
5 Q. Going back to the email retrieval system, you  
6 would routinely get requests to retrieve people's  
7 emails, wouldn't you?  
8 A. Yes.  
9 Q. And you've done that in connection with  
10 Mr. Ross, isn't that -- in connection with Mr. Hansen,  
11 haven't you?  
12 A. Mr. Hansen pre-bankruptcy would ask me a lot

Wagner.txt

13 to go retrieve emails, yeah.

14 Q. And has anybody asked you post-bankruptcy to

15 retrieve emails?

16 A. Oh, my goodness, yes.

17 Q. I'm sorry?

18 A. Oh, my goodness, yes.

19 Q. Who all has asked you?

20 A. K&L Gates.

21 Q. I'm sorry?

22 A. K&L Gates and Mark Calvert.

23 Q. Have they particularly asked for emails of

24 Mr. Hansen?

25 A. Yes.

♀

33

1 Q. Have any of those emails been emails that may

2 have been accessible after the date of -- or that were

3 created after the date of the bankruptcy?

4 A. I wouldn't think so, but we turned over

5 everything. It was not date bound.

6 Q. K&L Gates was scorching the earth to get all

7 of those emails?

8 MR. FRUSH: I say that with an affectionate

9 nod, Counsel.

10 MR. NEU: Yeah, I get it, I get it.

11 MR. FRUSH: This transcript never shows the

12 humor.

13 Q. (BY MR. FRUSH:) Did you have any

14 participation in the providing of videos to either K&L

15 Gates or the trustee or the FBI?

16 A. Yeah. About the only thing I did was move the

Page 29

17 stuff to a medium off of Dave Huffman's machine.

18 Q. Why don't you explain that to me, because I  
19 can't follow that at all.

20 A. We had one of the IT guys compile video and  
21 put it on Dave Huffman's desktop computer. The only  
22 role I had was moving it off his desktop computer onto a  
23 flash drive.

24 Q. Are the email accounts of Diane and Ross at  
25 the Mint, are those still active?

♀

34

1 A. I don't believe so.

2 Q. When were they turned off?

3 A. I would assume on the day that they left.

4 MR. FRUSH: Let's mark this.

5 (Deposition Exhibit 3 was marked for  
6 identification.)

7 Q. (BY MR. FRUSH:) I'll show you what's been  
8 marked as Exhibit 3. It's a portion of your transcript  
9 from a June 8th, 2016 deposition. I want you to look at  
10 page 64.

11 It appears that you testified that as of  
12 June 8th, the old email accounts were being monitored --  
13 were active and being monitored by Melissa Gafford. Do  
14 you see your testimony there?

15 A. Uh-huh, yeah.

16 Q. Is that accurate?

17 A. That is accurate.

18 Q. So you just testified that you thought the  
19 email accounts were turned off on the day of the

20 bankruptcy or shortly thereafter, if I recollect  
21 correctly. Why the discrepancy between your testimony  
22 today and --

23 A. There is no discrepancy.

24 Q. So explain how they could have been active and  
25 monitored in June when you say they were turned off in

♀  
†

35

1 basically the first half of April.

2 A. You make an assumption that "turned off" means  
3 that you can't receive email.

4 Q. Yes.

5 A. Being deactivated, meaning that you can't send  
6 or receive using that account, is different than being  
7 able to see inbound emails that would come in to  
8 Mr. Hansen that could be monitored by Melissa.

9 Q. Well, I assume "active" means that you could  
10 receive the email.

11 A. You could have a deactivated account and still  
12 be able to receive inbound emails to that account.

13 Q. And can you send emails from that account?

14 A. No, no.

15 Q. So only the sending part would be deactivated?  
16 Is that your testimony?

17 A. That is correct.

18 Q. And the fact that it was received and being  
19 monitored doesn't make it active at all?

20 A. That is correct.

21 Q. Well, then why do you say on June 8th that,  
22 the question is, "The email accounts that Diane and Ross  
23 had at the Mint, are they still active?" And you say,



24 "I would assume that" -- excuse me. And the question  
25 goes on, "Can they still receive mail, do you know?"

♀

36

1 And you say, "I would assume that they can,  
2 yes."

3 That means that you're implying, as I read  
4 your testimony, I wasn't there, that you're saying they  
5 were active because they were receiving email?

6 A. Well, technical definition of "active" would  
7 mean that they can send and receive email. When we  
8 deactivate an account, it doesn't mean that we don't get  
9 emails coming into that mailbox. We certainly can and  
10 we can monitor it, we just can't send.

11 Q. And on June 8th --

12 A. And we can't move from mailbox to mailbox and  
13 organize documents that come into that.

14 Q. And on June 8th, you felt that was, quote,  
15 "active," close quote; is that right?

16 MR. NEU: Object to the form of the question.  
17 That's not what he said on June 8th.

18 Q. (BY MR. FRUSH:) Do you have any knowledge of  
19 personal mail coming to the Mint for Ross since he's  
20 left?

21 A. I would assume that mail has come into the  
22 Mint. Email or mail?

23 Q. I'm talking about U.S. Mail.

24 A. I would assume that some mail has come in,  
25 yes.

1 Q. Is there some directive in place by you or  
2 Mr. Calvert as to how that personal mail is handled?  
3 A. It would go through Melissa and she would sort  
4 through it. And if there was anything relevant, then  
5 she would route it to the right person.  
6 Q. Would anybody consider giving it to  
7 Mr. Hansen?  
8 A. I don't think so.  
9 Q. It's his personal mail; right?  
10 A. Not necessarily.  
11 Q. Well, you just testified, Mr. Wagner, that  
12 some of the mail that was coming in was personal; isn't  
13 that right?  
14 MR. NEU: I don't think that was what he  
15 testified.  
16 MR. FRUSH: Well, I think that's what he did  
17 testify to.  
18 Q. (BY MR. FRUSH:) Let's get to this. Has  
19 Mr. Hansen been getting personal mail?  
20 A. I do not know. I would not know that.  
21 Q. Who would?  
22 A. Melissa.  
23 Q. All right. Is all of Mr. Hansen's mail,  
24 personal and otherwise, being opened?  
25 A. I would assume so, yes.

1 Q. Is there any safeguard in place to keep people  
2 from opening up what is obviously personal mail to

3 Mr. Hansen?  
4 A. No.  
5 Q. Why not?  
6 A. Why would there be?  
7 Q. Because it's his personal mail. Maybe some  
8 things relate to medical issues.  
9 A. How would we know what's personal and what's  
10 business without opening it up?  
11 Q. I guess sometimes you can tell and sometimes  
12 you can't. You're telling me you can't tell?  
13 A. Exactly how would you do that?  
14 Q. All right, Mr. Wagner. And you're still  
15 monitoring his email that's coming in; right?  
16 A. I'm not monitoring his email, no.  
17 Q. And his email accounts are still active in a  
18 fashion that they can receive email?  
19 A. They are inactive but in such a way that they  
20 can receive email, yes.  
21 Q. Very artful.  
22 You don't forward emails to Mr. Hansen, do  
23 you?  
24 A. I do not.  
25 Q. Do you make any effort to determine what are

♀  
†

39

1 personal emails and what are business emails?  
2 A. I do not.  
3 Q. Now, Mr. Fullington threatened Ross, didn't  
4 he?  
5 A. I don't know if "threatened" would be the

6 right word.  
7 (Deposition Exhibit 4 was marked for  
8 identification.)  
9 Q. (BY MR. FRUSH:) Exhibit 4 is a portion of  
10 your transcript on June 8th, 2016. I'd like you to look  
11 at page 67, line ten. You say in response to a  
12 question, "Greg," and I assume you mean Fullington,  
13 "threatened Ross and he later, you know, backed off of  
14 it, told him he had no business doing it, but he  
15 threatened to roll on Ross with the FBI."  
16 Do you see where you said that?  
17 A. Yeah, yeah, I do.  
18 Q. You used the word "threatened" back in June,  
19 didn't you?  
20 A. Okay.  
21 Q. Now, to your knowledge, did Mr. Fullington  
22 follow through with his threat to, quote, "roll on Ross  
23 with the FBI," close quote?  
24 A. To my knowledge, he did not.  
25 Q. Do you know how the FBI came to interview

♀

40

1 Mr. Fullington?  
2 A. I do not.  
3 Q. Was Mr. Fullington having an affair with  
4 Amelia Swan?  
5 A. I don't believe so.  
6 Q. Was Amelia Swan let go, prior to  
7 Mr. Fullington's leaving?  
8 A. She found another job.  
9 Q. They were the legal department, weren't they?

10 A. That's correct.  
11 Q. And what were their responsibilities as the  
12 legal department?  
13 A. Protect and defend the company.  
14 Q. What about relating to bailments? Do you know  
15 what a bailment is?  
16 A. No.  
17 Q. Let's say that you have customers who have  
18 some type of product, bullion or otherwise, that's  
19 stored with the company.  
20 A. Uh-huh.  
21 Q. You have to answer "Yes" or "No."  
22 A. Yes, yes, yes. I'm sorry.  
23 Q. What responsibility does legal have in  
24 relationship to that?  
25 A. Their job was to maintain lease and storage

♀

41

1 agreements.  
2 Q. Amelia's was?  
3 A. Yes.  
4 Q. And it was her job to monitor the bailment or  
5 the maintaining of those items?  
6 A. That's correct.  
7 Q. And who did she report to?  
8 A. Mr. Fullington.  
9 Q. What about compliance with the consent decree?  
10 Do you know what I'm talking about in that regard?  
11 A. No.  
12 Q. Are you aware that the Mint entered into a

13 consent decree with the Attorney General of the State of  
14 Washington?

15 A. Is that back eons ago, in terms of a way of  
16 doing business?

17 Q. About five or six years ago.

18 A. Yes, yes, I'm aware of that.

19 Q. And it relates to the fulfillment of orders?

20 A. Yes, that's right.

21 Q. Who was responsible for monitoring compliance  
22 with that agreement?

23 A. I would say Diane Erdmann.

24 Q. Not the legal department?

25 A. No.

♀

42

1 Q. I thought Diane was in charge of the vault?

2 A. She was in charge of the vault and bullion  
3 fulfillment.

4 Q. And is it your testimony that she was in  
5 charge of compliance with the consent decree?

6 A. I would make that assumption, yes.

7 Q. Is it simply an assumption on your part?

8 A. It is.

9 Q. When Mr. Fullington parted -- strike that.  
10 This threat that Mr. Fullington made, when was  
11 that made?

12 A. It was made on the last day he was employed  
13 back last fall, whenever that was.

14 Q. And was it a resignation or a mutual parting  
15 of the ways, or was he fired?

16 A. No, he quit.

17 Q. Did you witness the interchange between Ross  
18 and Mr. Fullington?  
19 A. I did.  
20 Q. Was Maura there?  
21 A. She was -- I don't know. I don't know.  
22 Q. Did you give Maura instructions to document  
23 what happened?  
24 A. Ross did, yes.  
25 Q. Did you give Maura notes on what you observed?

♀

43

1 A. Yes.  
2 Q. Did Mr. Hansen in any fashion attempt to  
3 influence the accuracy of that documentation?  
4 A. No.  
5 Q. Do you know what the purpose of that  
6 documentation was for?  
7 A. Just to document how Greg left.  
8 MR. NEU: Counsel, what's the relevance of  
9 this line of questioning to the evidentiary issue of  
10 whether the stay has been violated?  
11 MR. FRUSH: More to bias and interest. And I  
12 don't have much more, Dave. And I appreciate your  
13 patience. I mean, you know, it's just easy to try to  
14 clean up some of these things.  
15 Also, his veracity as a witness, I'm getting  
16 what I think are some --  
17 MR. NEU: I'm not generally in the habit of  
18 raising objections in deposition, but what I don't want  
19 is just a fishing expedition.

Wagner.txt

20 MR. FRUSH: No, no, I'm not fishing. No hand  
21 grenade is being thrown in the water here.  
22 We're going to take a five-minute break,  
23 because I think we're through. I want to talk to Ross.  
24 (Recess.)  
25 MR. FRUSH: I just have one question, I think.

♀  
†

44

1 Q. (BY MR. FRUSH:) Chief information officer, is  
2 that your current title?  
3 A. That is not, no.  
4 Q. What is your current title now?  
5 A. President.  
6 Q. President, okay. That's not the question I  
7 had.  
8 As chief information officer, before the  
9 bankruptcy there were surveillance tapes taken of not  
10 just the vault but various places in the company; is  
11 that right?  
12 A. That's correct.  
13 Q. Were there any tapes made prior to the  
14 bankruptcy of the inventory of the company?  
15 A. I don't believe so.  
16 Q. Do you know what -- well, since the  
17 bankruptcy, there have been photographs taken?  
18 A. Yes, that's correct.  
19 Q. Lots?  
20 A. Lots.  
21 Q. But you're not aware of a similar type of  
22 effort before the bankruptcy; is that right?  
23 A. We tried before the bankruptcy to get in and

Page 39



24 take videotape and take pictures of the inventory in the  
25 vault, yes.

♀

45

1 Q. And what happened?  
2 A. But we were denied by Diane.  
3 Q. Who tried to get in?  
4 A. We tried to have John, Ricky and Matt Fisk in  
5 Dayton take video of the inventory in that vault.  
6 Q. When you say "we" tried, who are you talking  
7 about?  
8 A. Well, Maura tried to have inventory videotaped  
9 in the Dayton vault.  
10 Q. In the Dayton vault in Nevada?  
11 A. That's correct.  
12 Q. And do you know why Maura wanted that made?  
13 A. Just to have the inventory documented.  
14 Q. Okay. Was there a particular concern that  
15 you're aware of?  
16 A. That inventory could find legs and walk out,  
17 yes.  
18 Q. All right. Are you aware of any other efforts  
19 to try to videotape or --  
20 A. No, I know Mr. Fullington --  
21 Q. Let me finish, please, Mr. Wagner. It's just  
22 tough for her.  
23 -- memorialize the existence of video before  
24 the bankruptcy?  
25 A. I know Mr. Fullington proposed doing an audit

1 of the inventory and the assets.  
2 Q. Okay, but that never came to fruition?  
3 A. It did not. He was denied.  
4 Q. All right. Well, a video was never taken of  
5 the vault in Dayton; right?  
6 A. Not to my knowledge.  
7 Q. And this was initiated by Maura; is that  
8 correct?  
9 A. That's correct.  
10 Q. And you really don't know why she initiated  
11 it. Is that fair to say?  
12 A. That's fair, yeah.  
13 MR. FRUSH: All right, all right. We have  
14 nothing further.  
15 Do you have anything, Dave?  
16 MR. NEU: No, I do not.  
17 (Deposition recessed at 10:30 a.m.)  
18 (Signature was requested.)  
19  
20  
21  
22  
23  
24  
25

1 CORRECTION & SIGNATURE PAGE  
2 RE: NORTHWEST TERRITORIAL MINT, LLC  
Page 41

3 UNITED STATES BANKRUPTCY COURT; No. 16-11767-CMA  
4 PAUL WAGNER; TAKEN JULY 29, 2016

5 Reported by: CHERYL O. SPRY, CCR No. 2226

6 I, PAUL WAGNER, have read the within  
7 transcript taken JULY 29, 2016, and the same is true and  
8 accurate except for any changes and/or corrections, if  
9 any, as follows:

10	PAGE/LINE	CORRECTION	REASON
11	_____		
12	_____		
13	_____		
14	_____		
15	_____		
16	_____		
17	_____		
18	_____		
19	_____		
20	_____		
21	_____		
22	Signed at _____, Washington,		
23	on this date: _____		
24			
25	_____ PAUL WAGNER		

♀

48

1 REPORTER'S CERTIFICATE

2 I, CHERYL O. SPRY, the undersigned Certified Court  
3 Reporter, pursuant to RCW 5.28.010, authorized to  
4 administer oaths and affirmations in and for the State  
5 of Washington, do hereby certify:

Wagner.txt

6           That the sworn testimony and/or proceedings, a  
7 transcript of which is attached, was given before me at  
8 the time and place stated therein; that any and/or all  
9 witness(es) were by me duly sworn to testify to the  
10 truth; that the sworn testimony and/or proceedings were  
11 by me stenographically recorded and transcribed under my  
12 supervision, to the best of my ability; that the  
13 foregoing transcript contains a full, true, and accurate  
14 record of all the sworn testimony and/or proceedings  
15 given and occurring at the time and place stated in the  
16 transcript; that a review of which was requested; that I  
17 am in no way related to any party to the matter, nor to  
18 any counsel, nor do I have any financial interest in the  
19 event of the cause.

20           WITNESS MY HAND AND DIGITAL SIGNATURE THIS 30TH day  
21 of JULY, 2016.

22

23

24           \_\_\_\_\_  
25           CHERYL O. SPRY  
Washington State Certified Court Reporter No. 2226  
cspry@yomreporting.com

♀